



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0224	Title:	Loan reimbursement program for state institutional nurses
Primary Sponsor:	Hiner, Cynthia	Status:	As Amended

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$37,500	\$37,500	\$37,500	\$37,500
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$37,500)</u>	<u>(\$37,500)</u>	<u>(\$37,500)</u>	<u>(\$37,500)</u>

Description of fiscal impact:

HB 224 provides a loan reimbursement program for registered nurses working at the Montana state prison in Deer Lodge and the Montana state hospital in Warm Springs.

FISCAL ANALYSIS

Assumptions:

1. This program applies to registered professional nurses working at the Montana State Prison (MSP) in Deer Lodge and the Montana State Hospital (MSH) in Warm Springs.
2. With passage and approval of the bill in FY 2009, nurses will begin receiving reimbursements for loan education payments at the end of each 12-month period, starting in FY 2010.
3. Section 1(2)(b) states eligible participants may receive a maximum of \$3,750 a year for four years. The \$37,500 appropriation is valid for each year of the 2011 biennium, beginning July 1, 2009.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Transfers	\$37,500	\$37,500	\$37,500	\$37,500
TOTAL Expenditures	\$37,500	\$37,500	\$37,500	\$37,500
<u>Funding of Expenditures:</u>				
General Fund (01)	\$37,500	\$37,500	\$37,500	\$37,500
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$37,500)	(\$37,500)	(\$37,500)	(\$37,500)

Technical Notes:

1. HB 224 appropriates funding for the 2011 and 2013 biennia but provides limited guidelines on how the funds will be distributed and administered.
2. In the bill, funding is not appropriated to the administration of the program and therefore, oversight on verification of loans and employment and review of applicants will be marginal.
3. In Section 1(3)(a), the legislation directs the BOR to make the loan reimbursement directly to the participant. Generally, loan reimbursement payments are made directly to the lender to ensure the payments go to reduce the intended educational debt.
4. Section 1(2)(b) would suggest selected participants would be guaranteed funding for four years, however, subsequent funding would be contingent upon future appropriations from the legislature toward the program.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date